



Ninety-Eighth Legislature - First Session - 2003
Committee Statement
LB 600

Hearing Date: February 18, 2003

Committee On: Banking, Commerce and Insurance

Introducer(s): (Tyson)

Title: Change provisions relating to second class city and village depositories

Roll Call Vote – Final Committee Action:

- X Advanced to General File
 Advanced to General File with Amendments
 Indefinitely Postponed
-

Vote Results:

- | | | |
|---|---------------------|---|
| 7 | Yes | Senators Quandahl, Tyson, Foley, Jensen, Loudon, Mines,
Redfield |
| | No | |
| | Present, not voting | |
| 1 | Absent | Senator Johnson |
-

Proponents:

Senator Gene Tyson
Mary Sommermeyers
Melissa Harrell
Carolyn Barry

Representing:

Introducer
League of NE Municipalities
City of Wahoo
Wahoo Utilities

Opponents:

Representing:

Neutral:

Robert Hallstrom

Representing:

NE Bankers Association

Summary of purpose and/or changes:

LB 600 (Tyson) would amend section 17-607 regarding the designation of banks and other financial institutions as depositories for deposit of public funds of cities of the second class and of villages.

The bill would provide that a city or village treasurer shall deposit in banks, capital stock financial institutions, or qualifying mutual financial institutions all public funds held by him or her as treasurer; and that such deposits shall be subject to all regulations imposed by law or adopted by the city council or village board. (These provisions are similar to those which currently apply to cities of the first class.)

The bill would repeal current provisions in this section which provide that the city council or board of trustees shall annually designate one or more banks, capital stock financial institutions, or qualifying mutual financial institutions as the city's or village's depository; and would repeal current provisions which provide that if there is one or more banks, capital stock financial institutions, or qualifying mutual financial institutions in the city or village which apply for the privilege to be a depository, such banks, capital stock financial institutions, or qualifying mutual financial institutions shall be selected, without preference among them, as such depositories.

Explanation of amendments, if any:

Senator Mark Quandahl, Chairperson